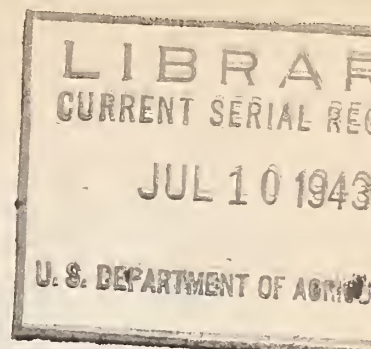


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Marketing Activities

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Vol. 5 No. 5

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WANTED: MORE SOYBEANS FOR OIL

By C. B. Gilliland. Page 3

Nobody has figured out a way of making rubber tires or toothpaste tubes out of soybeans but they can be used for almost anything else. That's why the Government is paying high prices to growers for expanding the production of soybeans for oil.

SHIFTING CHANNELS FOR MARKETING MILK

By John L. Wilson Page 7

Remember how your father used to break up a good game of one-eyed cat when he called you in to turn the separator handle? Now it looks as if fewer farm boys are going to recall the high-pitched whine of this particular piece of farm machinery. More farmers are selling whole milk,

LONGER COTTON HAS PAID

By Phil Perdue. Page 11

If you show a cotton farmer how to grow a better crop, he's not going to argue with you about it; he's going to get busy. A cotton improvement program was started 12 years ago and now we have a fairly good supply of the medium and long staples needed for a whole host of Army and civilian materials.

A RECORD CROP OF BEANS GOES TO WAR

By R. K. Pond. Page 17

Last year the farmers were asked to increase their dry edible bean production and they responded with a crop that broke all records. An even bigger production is expected this year--and it will be needed. It takes beans to win a war, brother.

--V--

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Marketing Activities, U. S. Department of Agriculture
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HARRY W. HENDERSON, EDITOR

WANTED: MORE SOYBEANS FOR OIL. **By C. B. Gilliland**

Growing in the field, they look something like snap or green beans. But examine them a little closer and you will see that the stems, leaves, and pods are covered with fine, tawny hairs. This is a characteristic that stamps them as soybeans--one of the most important crops farmers will produce this year.

Soybeans get an A-1 rating out on the farm because of the oil that can be pressed from the mature bean. Consumption of fats and oils, not counting petroleum and "perfume oils," is smashing all records; we are moving vast quantities of lard out of the country under the Lend-Lease Act; and our imports are reduced both as a direct result of the war in the Far East and a lack of shipping space. All this means a shortage unless we increase our domestic production of fats and oils--including soybean oil.

And it looks as if the farmers would come through as usual. The Prospective Plantings Report, put out by the Department of Agriculture late in March, showed that about 14 million acres may be planted to the versatile soybean--about 4 million acres more than were planted last year. Should farmers carry out their pre-planting intentions, and there is every reason to believe that they will, soybean acreage and production both will set a new high record.

Soybeans An Old Crop

We are so engrossed with the practical aspects of expanding soybean production we are likely to forget that the crop is one of the oldest known to man. Ancient Chinese literature, however, reveals that it was extensively cultivated and highly valued for food many centuries ago. One mention of the plant is made in a materia medica describing the plants of China, written by Emperor Sheng Nung in 2838 B.C. The crop is repeatedly mentioned in later records, and it was considered the most important legume and one of the five sacred grains essential to the existence of Chinese civilization.

In 1889 W. P. Brooks, of the Massachusetts Agricultural Experiment Station, brought a number of varieties from Japan, and in 1890 C. C. Georgeson, of the Kansas station, obtained three lots from the same country. Undoubtedly other early importations of seed from Asia were obtained through missionaries, but no definite records have been found. Since 1890 most of our agricultural experiment stations have carried on research with soybeans.

The real history of the soybean in this country began about 1898, when the Department of Agriculture started to introduce large numbers of soybean varieties. The crop was a little slow in "catching on" and by

1925 only a little over $1\frac{1}{2}$ million acres were grown. But by 1935 there were over $6\frac{1}{2}$ million acres. This total had increased to about $10\frac{1}{2}$ million acres in 1940, and the 14 million acres in prospect this year indicates that soybeans are here to stay.

Soybeans are grown in a number of States, but acreage is concentrated mainly in the Corn Belt--in the area embraced by the Ohio and Missouri Rivers. The five leading States this year will be Illinois, Iowa, Indiana, Ohio, and Missouri--in that order.

Illinois' place as a leader in soybean acreage and production is due, in part at least, to the efforts of one man--Eugene Staley. In 1922, as a result of Staley's urging, a soybean mill for turning out oil and meal was established at Decatur. Soybean acreage and production increased because Staley guaranteed to buy all the soybeans farmers produced.

Staley cooperated with seed firms to get better seed, with machinery makers to get cheaper and better farm implements, and he convinced a railroad that it would be a good idea to run a soybean demonstration train. Within a few years other processors had set up mills, and Decatur, Ill., had become the soybean oil and meal capital of the United States. It still is, though soybean mills have sprung up in other parts of the country.

Oil Is All-Important This Year

Wherever soybeans are grown this year, the oil is the important thing to watch. And it is expected that most if not all of the additional 4 million acres planted this year will be harvested for beans, which means, of course, more oil. Prices of soybeans, for oil only, will be supported at not less than 85 percent of the comparable price at the beginning of the marketing year, October 1. There is a further provision that \$1.60 per bushel, farm basis, will be paid for U. S. No. 2 Yellow grade of recognized high-oil-content varieties. Farmers who grow the right kind of soybeans can make money at these prices if they get a decent break from the weather.

A good crop of soybeans depends to a considerable extent on the germination qualities of the seed, and farmers can't be too careful about seed this year. Picking out the right variety to plant has an equally important bearing on and farmer's returns. Since some varieties yield more oil than others, the farmer should seek the advice of his county agent or State experiment station. There are soybeans and soybeans but we need the kind that produce the most oil.

What will this oil be used for? Well, almost three-fourths of the 464 million pounds used by factories in 1941 went into foodstuffs--cooking fats, oleomargarine, and other edible oils. The remainder was used in the manufacture of industrial products--call them war products--

such as paint and enamels, glycerin, disinfectants, and special lubricants. All of these products are needed more than ever before and to get them in adequate quantities we are going to squeeze our soybean crop to get the last drop of oil out of it.

--V--

"JAPAN" AMERICANIZED IN AMENDED RICE STANDARDS

Japan, the name of a rice grown in California, didn't sit well with the rice industry. So the U. S. Department of Agriculture has changed the name appropriately to American Pearl. The sub-class names Japan and California-Japan have also been changed to Southern Pearl and California-Pearl, respectively. These amendments to the Federal rice standards become effective May 15.

--V--

USDA ANNOUNCES DRY BEAN PURCHASE PLAN

To provide a new market for 1941 crop dry edible beans, the Agricultural Marketing Administration will pay a maximum price of \$5.00 a hundred for Pea and Medium White, Great Northern and Small White beans grading U. S. No. 1. Also, \$4.85 will be paid for the same classes of U. S. No. 2 dry beans, in bags, Eastern Seaboard basis. The new purchase plan will operate through June 15, 1942.

AMA officials pointed out that the plan will assist growers in areas where the production of beans is not a major enterprise but where there may be local surpluses due to expanded production last year. Buying will be done through authorized purchasing agents of the AMA, who will determine the price to be paid for beans that have not been cleaned or otherwise processed equivalent to U. S. No. 1 or U. S. No. 2 grade, with due allowances for transportation, handling, bagging, processing, and other costs.

Beans will be purchased either in relatively small quantities or in carlots from growers, associations of growers, or their agents. The new plan, in its entirety, will supplement the price support program that has operated weekly since May 6, 1941, in the major producing areas on an offer-and-acceptance basis.

--V--

A Federal marketing agreement program for Georgia peaches handled in interstate and foreign commerce became effective April 27, 1942. The program, under the direction of the AMA, is designed to assist growers in obtaining better returns for better products.

BEEF CHART

WHOLESALE AND RETAIL CUTS

① HIND SHANK

1 TO 3 SOUP BONES
4 - HOCK

6 FLANK

1 - FLANK STEAK
2 - STEWS OR HAMBURGER

12 PLATE

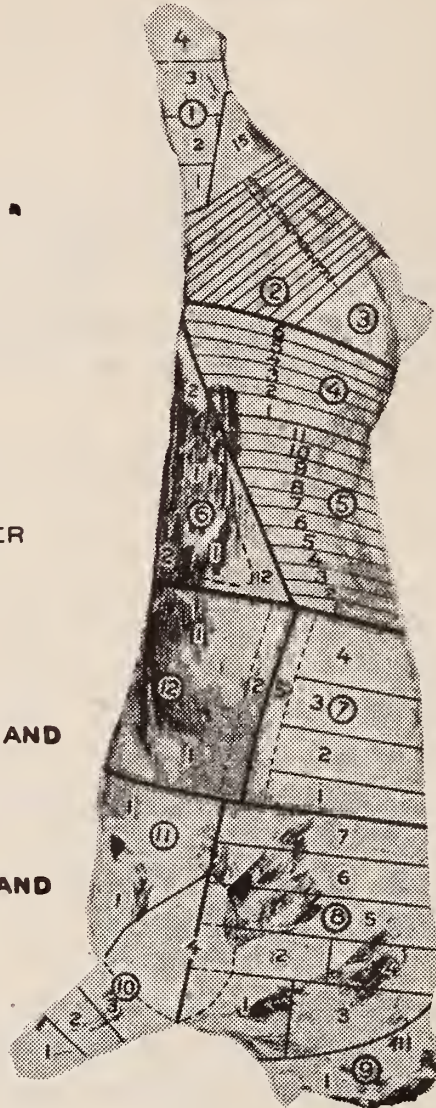
1 - STEWS OR BONED AND ROLLED ROASTS
2 - SHORT RIBS

⑪ BRISKET

1 - STEWS OR BONED AND ROLLED ROASTS

⑩ FORE SHANK

1 TO 3 SOUP BONES
4 - SHOULDER CLOD



② ROUND

1 TO 14 ROUND STEAKS
15 HEEL OF ROUND

③ RUMP

STEAKS OR ROASTS

④ LOIN END

1 TO 6 SIRLOIN STEAKS

⑤ SHORT LOIN

1 TO 3 CLUB OR DELMONICO STEAKS
4 TO 11 PORTERHOUSE STEAKS

⑦ RIB

1 TO 4 RIB ROASTS
5 SHORT RIBS

⑧ TRIMMED CHUCK

1 & 2 BOTTOM CHUCK ROASTS
3 & 4 TOP CHUCK ROASTS
5 TO 7 CHUCK RIB ROASTS

⑨ NECK

1 - BONELESS ROASTS
STEWS OR HAMBURGER

Numerals in circles ○ refer to wholesale cuts and major subdivisions of such cuts Other numerals refer to retail cuts

WHOLESALE CUTS AND SUBDIVISIONS

ALL PERCENTAGES BASED ON CARCASS WEIGHT

① TO ⑥ HINDQUARTER.....	48.0%	⑦ TO ⑫ FOREQUARTER.....	52.0%
① TO ③ ROUND AND RUMP ...	24.0	⑦ RIB.....	9.5
① HIND SHANK... 4.0%		⑧ & ⑨ CHUCK.....	22.0
② BUTTOCK... 15.0		⑧ TRIMMED CHUCK... 17.0%	
③ RUMP... 5.0		⑨ NECK.....	5.0
④ & ⑤ FULL LOIN INC. SUET	20.5	⑩ FORE SHANK.....	5.5
④ LOIN END... 7.0		⑪ BRISKET.....	6.5
⑤ SHORT LOIN... 10.5		⑫ PLATE.....	8.5
KIDNEY KNOB. 3.0			
⑥ FLANK.....	3.5		

War or no war, you will probably keep on eating beef as long as supplies hold out. This chart will show you whether your favorite cut comes from the forepart of the animal or vice versa.

SHIFTING CHANNELS FOR MARKETING MILK

By John L. Wilson

Bureau of Agricultural Economics

Climatic processes over the ages have developed a well defined system of rivers through which water descending as rain is carried away to the sea. Likewise, the American farmer has developed specific channels through which he directs to market the huge volume of milk produced each year by his herds. But just as stream beds are constantly changing under the influence of spring freshets and water's rigid adherence to the law of gravity, the channels through which milk is marketed shift back and forth in response to the farmer's viewpoint on income opportunities from the various forms of sale.

At one time a considerable portion of the dairy products leaving the farm consisted of milk sold directly to consumers. However, the growth of large cities with accompanying industrialization of delivery systems discouraged retail delivery by producers, and although milk itself has continued to be an important item of sale, most of it now is sold in wholesale form. When this milk reaches the city, it may be redistributed by dealers as fluid milk and cream or used for production of cheese, evaporated milk, or other factory dairy products.

Cream Sales Important

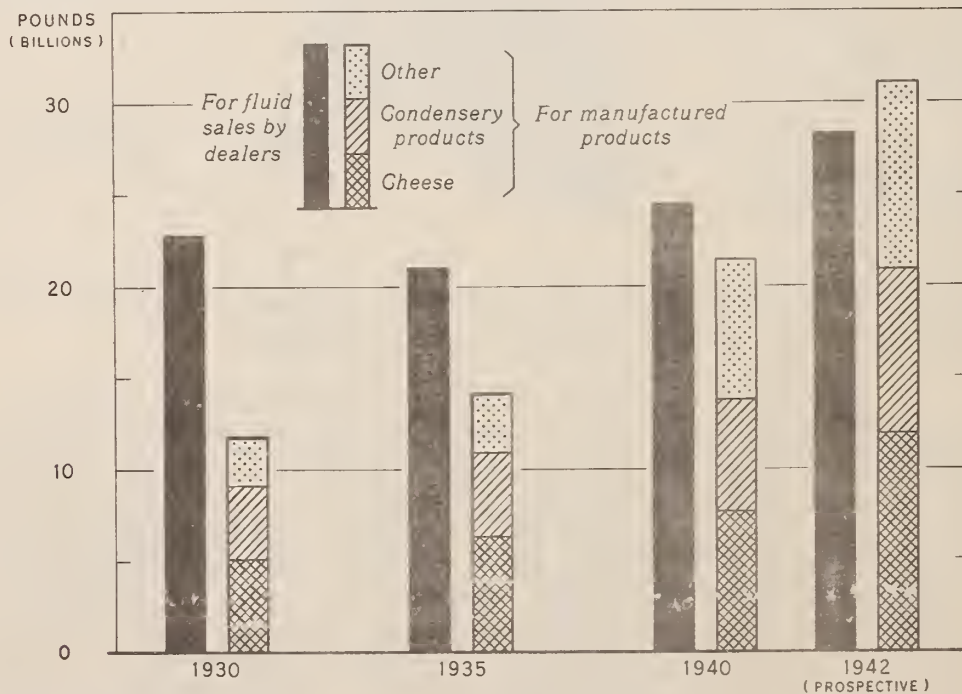
But not all farmers sell milk. The sale of farm-skimmed cream, which contains nearly all the butterfat of milk in one-eighth as much volume, is a handy method of deriving a cash income from milk, particularly for farmers distant from market and for those who can make use of the skim milk as a protein supplement in livestock feeding. Most of the cream is sold by farmers on a butterfat basis for use in making creamery butter. Farm-churned butter also offers an alternative product through which the milk fat may be marketed. This form of sale is still important in sections of the South, but has been declining rapidly since factories took over most of the butter-making operations.

Thus, in this day and age, two channels--wholesale milk and farm-skimmed cream--carry most of the farmer's milk to market. But the relative importance of these two outlets has been shifting. Under the pressure of war demands for protective whole milk foods, the American farmer has been damming the ditches leading to the separator bowl and diverting more and more of his product through the wholesale milk channel. Out of the more than 93 billion pounds of milk utilized for the milk, cream, and home-made butter marketed by farmers in 1941, fully 52 billion pounds left the farm as bulk whole milk. Compared with 1940, wholesale milk gained a full 4 billion milk-pounds over farm-skimmed cream as a commercial outlet for the milk produced. In 1941 the cream sold by farmers was skimmed from about 34 billion pounds of milk.



The war has stimulated the demand for whole milk foods, thus more and more farmers are selling whole milk instead of cream. This truckload of milk from a Minnesota farm is on its way to the city, where it eventually will be diverted to a number of uses.

UTILIZATION OF WHOLE MILK DELIVERED BY FARMERS TO PLANTS AND DEALERS, UNITED STATES, 1930, 1935, 1940, AND PROSPECTIVE 1942



U. S. DEPARTMENT OF AGRICULTURE

NEG. 42175 BUREAU OF AGRICULTURAL ECONOMICS

This chart shows what happens to whole milk. A dozen years ago the bulk of it was resold by dealers as bottled milk and cream for fluid uses. This year, however, more than half of it will be used for manufactured products. Reason: Lend-Lease shipments, together with a good domestic demand.

If we look back to the more distant past, the trend toward delivery of milk only brings that form of sale back to the relative position in the farmer's program that it held 40 years ago. At the turn of the century whole milk accounted for three-fifths of the dairy products sold from farms. Farm-skimmed cream was almost a novelty then and home-made butter, on a milk equivalent basis, accounted for over a third. After 1900, both the increased use of the centrifugal separator on farms and the shift of butter production from farms to factories encouraged the sale of cream by farmers. In terms of percentage of milk for all dairy products sold from farms, cream appears to have reached a high-water mark about the middle of the 1920's when around 45 percent was skimmed for sale as cream compared with about 40 percent sold as wholesale milk, 9 percent retailed, and 6 percent utilized for farm butter sold

Whole Milk Sales Increase

An upturn in whole milk sales accompanied the rapid increase in production of condensed and evaporated milk for export during and shortly after the first World War, but it was not until about 1930 that bulk deliveries of whole milk by farmers crept up to even terms with the amount of milk skimmed for cream. For a few years during the depression period the trend was temporarily reversed but by 1934 the two forms of sale were again back on an even footing. Since that time, wholesale milk sales have been forging ahead steadily, and although cream sales have also increased during the period, the bulk of the 22 percent gain in farm output of dairy products in the past 7 years has been in the form of whole milk sold to plants and dealers.

Behind this rapid swing toward sale of whole milk may be seen some basic changes in the dairy industry itself. A dozen years ago the chief commercial use of wholesale milk was for bottling and redistribution as fluid milk and cream. At that time producers delivered 2 cans of milk to be resold by fluid distributors for every one they sent to factories for making cheese, evaporated and condensed milk, and other products utilizing the solids-not-fat of milk. In recent years, however, the relative importance of the factory output of these products has increased tremendously. By 1935, manufactured products utilized about two-thirds as much whole milk as was resold for city fluid consumption, and by 1940 nearly nine-tenths as much. In 1941 under the stimulated demand for cheese, evaporated milk, and dried skim milk to supply Lend-Lease needs, factory products utilized fully as much whole milk as did fluid outlets. In 1942, factories appear certain to displace fluid milk dealers as the most important users of the milk sold at wholesale by the American farmer.

The increasing quantities of whole milk going into factory products naturally focus attention on what these products are, and how rapidly each has been increasing. For many years, cheese has been the most important single product requiring both the butterfat and protein portions of the milk for its manufacture. Between 1930 and 1940 the output of cheese increased by half and at the end of that period utilized nearly 8 billion pounds of whole milk annually. Because limited shipping space

under war-time conditions has heightened the usefulness of products providing an abundance of food nutrients in a very concentrated form, cheese recently has been very much in the limelight. In both 1941 and 1942 production has expanded further, chiefly for export to our allies. About 9 billion pounds of milk were required to manufacture cheese in 1941 and prospects for 1942 point somewhere in the direction of 11 billion pounds, or more than double that in 1930.

Production of condensed, evaporated, and dried whole milk products, of which evaporated milk is by far the most important at the present time, has likewise been on a steady upgrade during the past decade. The 4 billion pounds of milk utilized for these products in the early 1930's increased to some 6 billion pounds by 1940, a year which saw the two leading canned milk exporting nations--the Netherlands and Denmark--erased from the world market by Germany. In 1941 a fourth more milk was used for condensery products than in 1940, and further gains in 1942 appear likely to increase the annual amount to around 10 billion pounds, or about $2\frac{1}{2}$ times that in 1930.

More Milk Skimmed in Factories

Other products include ice cream and various condensed and dried skim milk products. Ice cream production has been on the uptrend since 1933 and in 1941 contained butterfat derived from more than 4 billion pounds of milk, though just how much of this was sold by farmers as whole milk is not known exactly. The manufacture of skim milk products in factories is also an enterprise that has been increasing rapidly in recent years. The 6 billion pounds of skim milk utilized for these products in 1930 had increased to well over 9 billion pounds in 1940. Part of this skim milk was derived from the skimming of milk in plants to obtain cream sold for fluid consumption, but in 1940 it appears that fully 5 billion pounds of whole milk was skimmed in factories where both the butterfat and skim milk were used for manufactured products.

The skim milk products made from milk separated in dairy plants include dried skim milk, casein, condensed skim products, and cottage cheese. Dried skim milk is by far the most important of these, utilizing about 56 percent of the total skim milk represented in manufactured skim products in 1940. In 1941, production of dried skim milk was slightly below that in 1940 as the result of whole milk being diverted to more pressing needs for cheese and evaporated milk. However, changes in the buying policies of the Department of Agriculture in early 1942 appear likely to result in a greatly increased production of dried skim milk during the remainder of the current year. This will mean larger amounts of whole milk leaving the farm.

The expansion in farm sales of whole milk to supply the needs of the whole milk manufacturing industry, if it continues, will no doubt have some important long-time effects on the character of farms producing milk in this country. The sale of whole milk from farms tends to encourage specialization of the farm dairy enterprise. Not only is the milking

herd usually larger than on farms where cream is sold, but more time and effort must be spent in keeping the milk clean and cooling it promptly in order to insure a high quality product for market. Furthermore, the sale of whole milk from farms leaves no skim milk on the farm for use in other livestock raising operations--one of the factors that has delayed the shift to whole milk sales in some important Corn-Belt States. Changes that take place will necessarily be slow but may be substantial, particularly in cream-selling areas with production sufficiently concentrated to encourage establishment of new factories for handling whole milk.

Whole milk presents more of a transportation problem than cream. Milk is bulky, ordinarily representing from six to eight times the volume of cream containing the same amount of butterfat. Milk is also more perishable than cream and as a rule demands daily delivery. The good roads that have come into existence since the middle twenties have played an important role in the shift from sale of cream to delivery of milk. In the present emergency transportation difficulties have multiplied. So far priority ratings have aided in obtaining the additional milk cans, trucks, and tires necessary for delivery of the whole milk, but for the duration of the war new problems may be expected to pop up at every turn of the road from farm to market.

From the industry angle, it is difficult to foresee the full implications of the trend toward marketing of whole milk by farmers. It is important, however, to note that a huge flow of whole milk is being built up, with fluid uses no longer the main exit into consuming channels. When the need for whole milk products for export becomes less pressing, there will be a much more abundant supply for the domestic markets. This might well be used as the spearhead in a drive to alleviate the nutritional deficiencies of the Nation, though there will undoubtedly be serious economic obstacles to be overcome in getting these products into consumers' hands. In the meantime the abundant supplies of whole milk may exert considerable pressure on the walls built up around some of our fluid milk markets, particularly if price spreads are too wide. Perhaps the flood of milk through wholesale channels may subside with the farmer converting milk to cream at the source. But the whole milk channel is being cut deep and prospects are that it will continue to drain away the bulk of the farmer's commercial milk supply.

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BIG GAME SURPLUS IS FOREST PROGRAM

A rapid increase of deer and elk numbers in many national forests is raising difficult problems of wildlife management. Game populations have been increased by State action on bag limits, hunting seasons, maintenance of refuges, and cooperative work with the Forest Service. Unless game is kept in balance with natural food supplies, a lot of our wildlife will starve, says Dr. H. L. Shantz of the Forest Service.

USDA IS INCREASING PORK AND LARD BUYING .

The Agricultural Marketing Administration has asked packers operating under Federal inspection to offer for sale to the Federal Surplus Commodities Corporation at least two-fifths of their production of pork cuts and canned pork and two-thirds of their production of lard and hog casings. This action has been taken, AMA officials point out, to assure the availability of sufficient quantities of pork products to meet Lend-Lease requirements during the late spring and early summer months.

These requirements will mean a considerable step-up in the weekly rate of purchases. Therefore, if plans work out, the AMA will buy the equivalent of approximately 40 percent of the pork and 65 to 70 percent of the lard produced during the next 3 to 6 months in federally inspected plants. These plants normally handle about two-thirds of the country's total production of pork.

Domestic consumers need not worry. Even with Lend-Lease purchases of pork as large as now planned, it is estimated that the supply of federally inspected meats for domestic consumption will be only about 5 to 10 percent smaller than in the April-September 1941 period and about the same as the supply in these 6 months of 1940. Furthermore, an increased production of meats in non-inspected plants is anticipated.

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ARMY NOW BUYING CANNED FRUITS AND VEGETABLES FOR OTHER AGENCIES

The Army is now buying canned fruits and vegetables for the Navy, Marine Corps, Veterans Administration, Department of Agriculture, and Treasury Department. The new purchasing procedure, which will continue for the balance of the year, was set up under a War Production Board allocation to insure that all Federal agencies taking a vital part in the war effort would be able at all times to obtain the highest quality.

A commercial canner is required under the plan to set aside a specified percentage of his total pack for Government use. After he has completed any part of his pack, an Army Quartermaster Corps purchasing agent visits his plant and negotiates directly for the products. Then an expert from the Agricultural Marketing Administration grades the goods and earmarks those to be purchased. Finally, the Quartermaster Corps purchasing and contracting officers nearest the canning plant complete the contract either by arranging for storage of the canned goods at the plant or by issuing shipping instructions.

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The 1940 Census showed 30,475,206 people on farms in this country.

LONGER COTTON HAS PAID

By Phil Perdue

Adolf Hitler would like to see American cotton growers plant the same kind of cotton they put in back in 1929--mainly short staple varieties. But fortunately for us, a decade of intensive improvement has given us an appreciable supply of the long and medium staple cotton that is needed so urgently for making Army uniforms, tents, pontoons, parachutes, medical supplies, shirts, sheets, and a hundred other military and civilian items.

Just 12 years prior to Pearl Harbor, less than a fourth of our cotton was an inch or longer in staple. Today, nearly three-fourths of it is an inch or longer.

This doesn't mean that we are out of the woods yet. While we have a plentiful supply of the medium staples, we need even more of the good-grade, long-staple cotton for military and civilian needs. So Secretary of Agriculture Wickard has called on growers to plant their full acreage allotment of 25 million acres this year; and for incentive, extra loan premiums are to be paid for cotton that is 1-1/8 inch in staple or longer. Our present shortage of 1-1/8 inch and longer staple merely emphasizes the predicament we would have been in if the widespread improvement program hadn't got under way when it did.

Information Please

The improvement program really got its start back in the twenties, when both domestic and foreign spinners began complaining that American farmers were no longer growing the good, hard-bodied, inch cotton for which they were once famous. But with no figures on tap, nobody could say for sure whether the spinners were just grouching or were actually calling attention to a bad situation. The clamor for facts became so loud that Congress finally took notice, and in 1927 passed the Cotton Grade and Staple Statistics Act.

This law authorized the U. S. Department of Agriculture to gather cotton quality information and as soon as the figures began to roll in, it was discovered that the spinners weren't exaggerating. In 1929, one bale in five was shorter than 7/8 inch staple, and there wasn't so much of the more desirable longer cotton, either. "Desirable" is a good word, because lint with a staple length of less than 7/8 inch cannot be used in high quality fabrics. Because of its limited use, the short staple cotton must be sold at a discount on the market, and it is not tenderable on contracts. We were growing entirely too much short cotton.

The boll weevil has been blamed for our shift to the short staple varieties during the early part of the century. As this vicious little pest with the long nose covered the Cotton Belt, growers found that their best defense was early cotton varieties--cotton that matured so early that the weevil could'd get around in time to do much damage.

The early-maturing varieties in 1929 were almost invariably short staple. Not only did they stall off weevil damage but they also produced more lint per pound of seed cotton than the longer varieties then grown. One of the most popular of the short staple varieties was "Half and Half," so called because it was claimed that from 1,000 to 1,200 pounds would gin into a 500-pound bale. The longer varieties had a larger proportion of seed.

Not Enough Improved Seed

Another reason for the change to the short varieties was a shortage of long-staple cotton seed. This brought about a move to develop plentiful supplies of early-maturing, medium and long-staple cotton seed that would give a high yield. Within a few years this program made substantial progress, but by that time cotton growers had been forced into a marketing rut.

Because of their weak bargaining position, growers had been forced to sell most of their cotton on a "hog-round" basis, which in less idiomatic English means that they sold at a price based on the average quality of the entire community's cotton. Since they got the average price anyway, farmers had little incentive to spend time and effort to improve their cotton. Furthermore, growers lacked the classing facilities that would have indicated the true quality of their product.

Gradually it dawned on them just how far behind the eight-ball they were. Congress, which had been hearing for some time about the declining cotton quality, began hearing the growers' side. And it wasn't long before Congressmen Smith and Doxey came forth with a double-barreled answer that proved to be one of the most popular agricultural enactments ever to come out of Washington. In effect, the Smith-Doxey amendment to the original Grade and Staple Statistics Act put it to the growers this way: If you cotton farmers will organize to grow better cotton, the Government will furnish you with free classing and market news services.

That was in 1938. In 1941, well over a quarter of a million growers were enrolled in the Smith-Doxey program. Every year since this improvement program has been offered, the number of farmers participating has more than doubled, and so has the acreage planted by those members. The Smith-Doxey Act has been popular because it has produced results.

Today only about 4 percent of our crop is shorter than 7/8 inch, compared with 20 percent a few years ago. The proportion of the desirable medium staple cotton has tripled, and the crops today include a far greater proportion of the long staples. In 1929, for example, nearly half of Alabama's cotton crop was short--less than 7/8 inch--and only about 2 percent was 1-inch cotton. Today about one-third of the 1941 crop is 1-inch cotton and only about 1 percent short cotton. Other States have somewhat similar improvement records.

Growers Begin to Doubt

While all this has been going on, however, a doubt has been hibernating in growers' minds as to whether they really were benefiting in dollars and cents from the improvement program. This doubt has hinged on the trend toward smaller premiums and smaller discounts as the crops improved.

In 1929, there was a difference of \$11.30 a bale between Middling 13/16 and Middling 1-inch cotton, due to discounts and premiums. But as cotton generally improved in the meantime, thanks to the farmers' efforts, spinners were offered larger quantities of longer staple cotton. Gradually it became possible to obtain fairly adequate supplies of desirable cotton without paying such large premiums or making such large discounts. Early in 1942, the price difference between Middling 13/16 cotton and 1-inch cotton had narrowed to \$5.00 per bale.

This squeeze has put growers in somewhat the same position as that of a baseball player who makes a sacrifice hit. The batter is put out but his bunt brings in a score for his side. Cotton growers, similarly have sacrificed something in premiums as a result of growing longer cotton but the sacrifice has been less than the profit. Their longer cotton has brought better prices, comparatively, even allowing for the reduced premiums.

W. B. Lanham, of the U. S. Department of Agriculture, figured up the score. Lanham, who has prepared the grade and staple statistics of our cotton crops for years, also heads the Department's Smith-Doxey cotton improvement program. He knew what the growers were thinking, and he wanted an indisputable answer--one that would set the growers straight.

Lanham Finds Larger Incomes

The answers Lanham got were not startling nor sensational, but were what he had hoped they would be--reassuring. He found that declining premiums and discounts have been more than counterbalanced by larger incomes as a result of marketing more of the longer cotton.

Lanham found that the base prices of cotton in 1929 and 1941 were not far apart--15.79 cents compared with 16.97 cents for Middling 7/8 cotton. So he was able to figure out just what effect the improvement in quality has had on the average price per bale. Using the premiums and discounts prevailing in 1929, he found that growers received an average of \$80.18 per bale for their 1929 crop. Using the same price, he found that growers would have received \$82.07 a bale for their 1941 crop. This difference takes into consideration only the difference in staple--not basic price changes.

Lanham made comparisons with other years since 1929. He found beyond question that the grower has been better off as a result of improving

his cotton. In each year since 1929, except one, cotton has been worth from 50 cents to about \$1.90 more per average bale because of improvement in staple. And not only are prices better, but yields have been stepped up from 164 pounds an acre, the 1929 average, to more than 234 pounds in 1941.

That's the answer to the grower. And the grower's answer this year undoubtedly will be even more of the long and medium staple cotton that is needed to beat the Axis.

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USDA ANNOUNCES REFERENDUM FOR 49 FLUE CURED TOBACCO MARKETS

A referendum has been scheduled from May 25 through May 28 to determine whether 49 flue cured tobacco markets in Virginia, North Carolina, South Carolina, Georgia, and Florida shall be designated for free and mandatory inspection of all tobacco passing over auction sales floors. All growers who sold tobacco at auction on the markets last year will be eligible to vote; and if two-thirds of the voting growers approve, the markets will be named for the free and mandatory inspection service. The Agricultural Marketing Administration will conduct the referendum.

Ballots will be mailed to growers who patronized the markets last year insofar as their names and addresses are known. Growers who do not receive ballots by mail may get them from their county agent or from the office of the County Agricultural Conservation Association.

Attention of growers is particularly directed to the fact that this is a referendum to determine whether they want the free grading and market news service provided under the tobacco inspection law. It should not be confused with referendums held on marketing quotas.

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USDA LAUNCHES NATIONWIDE PROGRAM TO CONSERVE BAGGING FOR AGRICULTURE

A nationwide program for the conservation of cotton and burlap bags for packaging agricultural commodities has been launched by the U. S. Department of Agriculture. Designed to offset a serious shortage of bags and bagging material, the program will be conducted by USDA State and County War Boards with the cooperation of farm organizations, State Agricultural commissions, grain, seed, feed, and bag dealers.

Major objectives of the program are to urge farmers to handle bags carefully so they can be used repeatedly, and to promote the quicker return of usable bags into trade channels. Officials believe these objectives, if reached, will do much to relieve local shortages.

A RECORD CROP OF BEANS GOES TO WAR

. By R. K. Pond

The four B's--bombers, battleships, bullets, and beans--are all needed for winning a war. And since they are war materials, no information can be given out about the first three. But it's no secret that we have a record-breaking supply of beans this year. Good planning by growers and agricultural leaders has increased production; and good planning will help distribute the beans where they will do the most good during the emergency.

Such distribution is proceeding rapidly, but with beans as with other commodities there are stumbling blocks to be moved out of the way, such as the transportation bottleneck. As far as shipments to our troops and allies abroad are concerned, dry beans have much in their favor. They keep well, ship well, and take up small space for the amount of nutritive value they hold. But shipping space is scarce, considering that other foods and munitions must be shipped, too; and the space must be carefully allotted.

Distribution Practices Change

The war also has brought about some changes in distribution practices. For example, 15 to 20 percent of our dry bean crop has been canned in former years, this percentage representing about half of the Pea, Medium White, and California White beans, and about two-fifths of the Red Kidney beans. Now, by order of the War Production Board, dry beans cannot be packed in tin cans for domestic use.

Successful shifting from the use of tin cans here at home means encouraging the use of non-canned dry beans by those who prepare the meals--spreading the information about the value of beans and the best ways to prepare them. This is being done by the Department of Agriculture and other agencies throughout the country. It is also possible that commercial pre-cooking of beans, redrying and packaging for quick-cooking in the home, now done on a small scale, may be further developed, and hence have a more extensive effect on the distribution of last year's tremendous crop, and on the even larger crop expected this year.

Recent large purchases by the Agricultural Marketing Administration have absorbed a lot of the beans that might have been purchased by canners, and sizable quantities are still being bought by the AMA. The Army does not anticipate using canned beans except for troops on maneuvers, but it uses dry beans--plenty of 'em--for troops in garrison. One military authority estimates that each soldier will eat two-and-a-half times as many beans as the average civilian, the rigorous paces the soldiers are put through burning up protein at a rapid rate.

Of the approximately \$800,000,000 spent by the AMA for the first full year of Lend-Lease operations, \$9,430,000 went for about 223,000,000 pounds of dry beans. Of course, all of these beans were not from the 1941 crop, but the figure gives an idea of the magnitude of the Department's bean buying activities.

Over Two Million Bags Shipped

Before February, 2.1 million bags, 100 pounds each, had been shipped, mainly to Great Britain. This figure, of course, is even larger now, and Russia recently requested large quantities of beans. Some of the money expended under this purchase program went for beans distributed here in the direct relief program and some for school lunches. In addition, the Food Stamp Program was an important consumption outlet for dry beans, more than 50 million pounds being distributed under this plan in the period from July 1, 1941, through February 1942. Additional statistics are unnecessary to show the Government's effort to get food to the people who need it most.

These programs have two basic aims. First, they are an aid to people now fighting for freedom, both ourselves and our allies. Second they help the farmers who grow the beans. The total income to growers, including purchases for Lend-Lease, relief and other purposes, will probably be in excess of \$80,000,000. This return to growers probably will be the largest in history with the exception of the \$90,000,000 return received by growers in 1917 when the supply was about half of what it was in 1941. Were it not for the purchases by the AMA, however, there is little doubt that prices for the 1941 crop of dry beans, even with greatly increased consumer demand, would have declined to levels materially lower than they have been or will be permitted to go.

National Goals for 1942

The way it is, we are asking for even more beans this year. The goals announced for 1942 suggest an increase of nearly 300,000 acres, 13 percent over the planted acreage of 1941, with an increase of 40 percent suggested for the colored classes, Pinks and Pintos. The acreage for other classes is scheduled to remain about the same as in 1941. In this connection, it should be emphasized that the 1942 goals call for as large an increase over the 1940 acreage in the white bean areas as in the colored bean areas.

If the suggestions for the 1942 goals are followed, the biggest increase in acreage will be in the Western States where land suitable for this bean production is available. The increase will probably come primarily in the dryland areas because of the competition of sugar beets and potatoes for irrigated land. In 1942, with a support price of \$4.75 per hundredweight for U.S. No. 1 beans, and \$4.60 per hundredweight for U.S. No. 2 beans, in bags, F.O.B. cars at country shipping points, production of both white and colored beans should again become an attractive enterprise in all producing areas.

Most commercial producing areas are adapted to the growing of certain classes of beans, and farmers cannot shift indiscriminately from one class to another. Michigan and New York, for example, grow pea beans mainly and these are by far the most important commercial class at the present time. Pintos, an increasingly important commercial class, are grown principally in Colorado, New Mexico, and California; Pinks in California; and Great Northerns in Idaho, Wyoming, Montana, and Nebraska.

Red Kidney beans, which were recently included in the AMA's weekly purchase program, are produced in New York, Michigan, and California. Other important types of beans benefiting from the current relatively favorable demand and price situation are Standard and Baby Limas and Blackeyes grown in California, and Yelloweyes grown in Maine, New York, and Michigan.

Vitamin Content May Vary

There is, at the present time, an increasing interest in food value differences that may exist among the various dry bean classes. So far, indications are that vitamin content may vary from class to class. To date, such indications are not inclusive enough to give in detail here. It is currently thought, however, that where and how the beans are grown may influence the comparative vitamin value of the class. These points are big enough to warrant further study.

Regardless of the comparative vitamin content, however, all classes of beans have plenty to recommend them, nutritively speaking. Dry beans are important body builders, they provide energy, and to some extent they are a protective food. More specifically, they are rich in protein and carbohydrates. They supply some vitamin B¹, calcium, phosphorous and are rich in iron.

Dry beans are a healthful, easy-to-prepare food for families of all income levels. Because they are probably the cheapest of all protein foods, they can play an even more important role for families who have little cash to spend. A pound of dry beans will make a meal for a family of five. Naturally, these families as well as all other families will continue to need some protein foods of animal origin, such as meat, cheese, eggs, and milk, in their diets also.

Since the last war much has been learned about nutrition, and in feeding peoples during this year, authorities are giving careful consideration to food values. To the extent that it is possible, they are trying to see that people of all the allied nations get plenty of well-balanced rations. It is entirely likely that this present concern over nutrition on a large-scale basis will have a decided carry-over in settling post-war living problems. And it is a foregone conclusion that the dry bean, with its comparatively low cost, high nutritive value, relative ease of handling, storability, and almost universal appeal as a food will continue to hold an important place in American agriculture.

CONTINUOUS INSPECTION SERVICE NOW
CARRIED ON IN 52 CANNING PLANTS

The latest count shows that 52 fruit and vegetable canning plants have been approved to receive the continuous inspection service of the U. S. Department of Agriculture. Under this service, inspectors of the Department's Agricultural Marketing Administration observe each step of the canning process from start to finish and products so packed are quality-identified by the appropriate U. S. grade.

The following firms recently have been approved to receive this service:

Blue Lake Producers Cooperative, West Salem, Oreg.
The Illinois Canning Company, Hoopeston, Ill.
Lincoln Canning Company, Merrill, Wis.
Mitchell Canneries, Inc., Thomasville, Ga.
Otoe Food Products Company, Nebraska City, Nebr.
The G. S. Suppiger Company, St. Louis, Mo.
Wenatchee Valley Foods, Inc., Wenatchee, Wash.
Desert Citrus Products Association, Tempe, Ariz.
Foster & Wood Canning Company, Lodi, Calif.
F. E. Booth Company, Inc., San Francisco, Calif.
H. C. Baxter and Brother, Brunswick, Maine.
New Era Canning Co., New Era, Mich.
Portland Packing Co., Portland, Maine.

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FARMERS VOTE "YES"
ON WHEAT REFERENDUM

United States wheat growers voting in a referendum held May 2, approved marketing quotas for the Nation's 1942 crop with a favorable vote of 81.8 percent, nearly complete returns show. Of the 352,537 referendum votes tabulated to date, 288,227 were in favor of wheat marketing quotas and 64,310 opposed. Of approximately 2,100 wheat counties voting, returns have been tabulated from 1,886, which includes virtually all major wheat areas.

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LEND-LEASE FARM PRODUCTS DELIVERED
FOR SHIPPING TO APRIL 1 COST \$524,500,000

Up to April 1, 1942, farm products costing \$524,500,000 have been delivered to representatives of the United Nations for Lend-Lease shipment. Total volume of the commodities bought by the Agricultural Marketing Administration and delivered at shipping points since the program began in April 1941 approximates 4,350,000,000 pounds.

-PERTAINING TO MARKETING-

The following reports and publications, issued recently, may be obtained upon request from the Agricultural Marketing Administration:

Federal-State Cooperation in Agricultural Marketing (Address) . .
By Roy F. Hendrickson

The Manufacturing Quality of Irrigated Cotton (Address) . . By
Malcolm E. Campbell

Possible Effects of the 1942 Goals for Oil Seeds on Cottonseed
Mills (Address) . . By G. S. Meloy

The Marketing of Greens . . By J. W. Park and M. E. Smith

Wholesale Prices of Fruits and Vegetables, at New York City,
Chicago, and Leading Shipping Points, By Months, 1941

Requirements for the Packaging of Butter and Eggs under Certifi-
cates of Quality and/or Grade Labels

Marketing Summaries, 1941-42:

Western and Central New York Cabbage

Western New York Celery

" " " Grapes

" " " Peaches

" " " Pears

Maine Potatoes

Michigan Apples

" Grapes

" Peaches

" Pears

" Onions

" Potatoes

Wisconsin Potatoes

Colorado Peaches

" Cauliflower, Green Peas, and Mixed Vegetables

Arizona Spring Lettuce

Idaho Potatoes

Northwestern Potatoes

" Onions

Salinas-Watsonville (California) Lettuce

Interstate Shipments of California Deciduous Tree Fruits, 1941

" " " " Grapes

